Additional COD System Processing Function Enhancements and Modifications for 2011-2012

Attachment to June 2011 Electronic Announcement

In Volume I, Section 2 of the 2011-2012 COD Technical Reference, we provide an overview of the enhancements and modifications being made to the Common Origination and Disbursement (COD) System for the 2011-2012 Award Year.

The purpose of this document is to highlight the additional processing function enhancements and modifications we will implement during the July 8-9, 2011 period. With the one exception noted below, all of these modifications apply only to the William D. Ford Federal Direct Loan (Direct Loan) Program. For this release, there is one change that will also impact the Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Federal Pell Grant (Pell Grant), and Teacher Education Assistance for College and Higher Education (TEACH) Grant programs.

If you have any questions about this document, contact the COD School Relations Center at 800/474-7268 for Grants or 800/848-0978 for Direct Loans. You may also e-mail CODSupport@acs-inc.com.

Change Impacting All Programs

The following change will impact COD System processing for all award types.

Additional Validation of Values in Name and Address Tags

Beginning July 9, 2011, we will perform additional validation on the name and address fields when submitted via batch or via the COD Web site. We will reject a record that contains numeric values for certain name and address fields that are usually alpha-characters only. Specifically, we will check for numeric values in the <FirstName>, <LastName>, and <City> tags. In addition, we will reject a record that contains nine consecutive numbers in any of the <AddressLine> tags.

If a school submits numeric values in the name or city fields or nine consecutive numbers in an address field, it will receive COD Reject Edit 996 (Invalid Value).

Note: Currently, the Common Record Layout in the 2011-2012 COD Technical Reference and the COD Common Record XML Schema Version 3.0d include numeric values in the list of possible valid values for the name and address tags. We will, however, begin to edit the fields as described above.

Changes Impacting Direct Loan Program

The following changes will impact COD System processing of Direct Loan awards.

Removal of First Disbursement Indicator from COD Web Site

In February 2011, we removed COD Reject Edit 52 (First Disbursement Date Must be the Earliest). Beginning July 9, 2011, we will remove the First Disbursement Indicator from the appropriate COD Web site screens.

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Revised Direct PLUS Loan Master Promissory Note

A revised Direct PLUS Loan Master Promissory Note (MPN) will be implemented in both paper and electronic formats. With this release, both formats will now be available in English and Spanish. The revised note will have an Office of Management and Budget (OMB) expiration date of 11/30/2013. A school does not have to take any action if its borrowers use the StudentLoans.gov Web site. Beginning July 9, 2011, the StudentLoans.gov Web site will use the revised version of the Direct PLUS Loan MPN.

A school that uses paper MPNs must begin using the new version as soon as practical. We are in the processing of printing the revised note. Additional information will be provided in a forthcoming electronic announcement posted on the IFAP Web site. In addition, a school can monitor the FSAPubs Web site for more information about availability of the revised paper Direct PLUS Loan MPNs.

Student FAFSA-Matching for Direct PLUS Loans

Beginning July 9, 2011, we will match all Direct PLUS Loan awards to student applicant records using the student's Social Security Number (SSN), Date of Birth (DOB), CPS Transaction Number, and Award Year. We will edit to ensure the student for whom the Direct PLUS Loan is borrowed has a valid Free Application for Federal Student Aid (FAFSA) on file. We will ***not*** match any parent information to applicant records. This change will apply to all Direct PLUS Loan awards for 2011-2012 and forward.

The COD System will be modified to require a CPS Transaction Number on new Direct PLUS Loan award originations or change records of any award type in order to perform the student applicant record match. The match will occur when a new Direct PLUS Loan award or an identifier change tag for the student SSN or DOB is submitted. If the award (or change) has an award period that begins in one award year and ends in the next award year, we will check for a CPS match in the award year submitted on the award, as well as the previous or subsequent award year.

With this change, several existing COD Edits will be returned on Direct PLUS Loans, as appropriate:

- COD Reject Edit 11 (No Eligible SSN or DOB Combination Match Found On CPS For Student) – new person edit

- COD Reject Edit 12 (No Eligible SSN and DOB Combination Match Found On CPS For Student) – existing person edit

- COD Reject Edit 24 (Reported CPS Transaction Number Does Not Match CPS)

- COD Reject Edit 25 (Duplicate Match on CPS)

- COD Warning Edit 116 (SSN, DOB and/or Last Name Have Not Been Updated In the COD System)

- COD Reject Edit 996 (Invalid Value)

- COD Reject Edit 998 (Invalid Format)

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For more information about Common Record Edits, refer to Volume II, Section 4 of the 2011-2012 COD Technical Reference.

Correspondence Updates

Beginning July 9, 2011, the following changes will be made to correspondence for the Direct Loan Program –

Servicer reference updates – Most of the correspondence will be updated to reflect Federal Student Aid's multi-servicer approach to loan servicing.

Spanish correspondence available – We will send all correspondence in Spanish if a borrower has chosen to view the StudentLoans.gov Web site and receive correspondence in Spanish. The borrower can select this option at any time once he or she is logged in to the StudentLoans.gov Web site.

Credit check correspondence sent electronically – If a borrower has opted to have correspondence sent electronically and has a valid e-mail address on file, we will send an e-mail to the borrower or endorser indicating that his or her correspondence is available to review on the StudentLoans.gov Web site.

Additional MPN correspondence packages sent electronically – We will send additional MPN correspondence electronically via e-mail to borrowers attending a school that has opted for the COD System to print and send MPNs (Pnote Print Option = "Y"). With this release, we will send:

- Direct PLUS Loan MPN Notice – We will send an e-mail requesting the borrower visit the StudentLoans.gov Web site and complete his or her Direct PLUS Loan MPN.

- 15-day Reminder Notice – If MPN is not completed after 15 days, we will send a follow-up reminder e-mail. There is no paper option for this notice.

- 30-day Reminder Notice – If MPN is not completed after 30 days, we will send a follow-up reminder e-mail. In this case, we will also send a paper MPN package to the borrower.

- 60-day Reminder Notice – If MPN is not completed after 60 days, we will send a follow-up reminder e-mail.

Note: If a borrower opts out of receiving correspondence electronically or if a borrower does not have a valid e-mail address on file, we will mail correspondence to the borrower.

Finally, regardless of whether a borrower receives paper or electronic correspondence, beginning July 9, 2011, a borrower will be able to view correspondence sent after July 9, 2011 on the StudentLoans.gov Web site.

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Direct Loan Completed MPN Report and Direct Loan Completed PLUS Application Report

Beginning July 9, 2011, we will generate the Direct Loan Completed MPN Report and Direct Loan Completed PLUS Application Report.

The Direct Loan Completed MPN Report will list MPNs completed for a school during the prior week (Saturday to Friday). The Direct Loan Completed MPN Report will include all MPNs on the report regardless of MPN source (electronic or paper). If there are no new MPNs submitted within the reporting period for a given school, the report will not be generated.

The Direct Loan Completed PLUS Application Report will list all Direct PLUS Loan Requests completed for a school during the prior week (Saturday to Friday). If there are no new Direct PLUS Loan Requests submitted within the reporting period for a given school, the report will not be generated.

Both reports will be run weekly and made available to a school via its Direct Loan newsbox of the COD Reporting Web site in CSV (comma-delimited) format. Neither report will be sent via the Student Aid Internet Gateway (SAIG).

The reports will not be award year-specific and will sort data in ascending order by borrower SSN.

Detailed information about these reports (including business rules, record layouts, and examples) is available in Volume VI, Section 8 of the 2011-2012 COD Technical Reference.

StudentLoans.gov Web Site Changes – Borrower Impact

Beginning July 9, 2011, several changes will be made to the StudentLoans.gov Web site. The chart below provides a summary of these changes and how they will impact a school's borrowers.

Changes to StudentLoans.gov Web site Functions – Borrower Impact	
Function	**Change/Description**
Entire Site	The StudentLoans.gov Web site will be available in Spanish. Borrowers will have the option to browse the Web site in Spanish by clicking on the "Español" link at the top right corner of the home page.
	Once a borrower changes to Spanish, the StudentLoans.gov Web site, the MPN completion process, the online entrance counseling, the online endorser process, *and* all correspondence will be in Spanish until the borrower changes his or her language preference again.
	Notes:
	1. With this release, the Direct PLUS Loan Request process will not be available in Spanish. However, we plan to make

Changes to StudentLoans.gov Web site Functions – Borrower Impact	
Function	**Change/Description**
	this process available in Spanish in October 2011.
	2. If a borrower begins the MPN or online entrance counseling process in Spanish, but then wants to change the language setting, he or she will be asked if the want to start over in a new language or continue in the current language.
	3. Because the online entrance counseling process will be available in Spanish, the Spanish-language counseling PDF link will be removed from the StudentLoans.gov Web site.
Direct PLUS Loan Request Process	Before starting a Direct PLUS Loan Request, a parent or graduate/professional student borrower can take an optional step to confirm that a school is participating in the Direct PLUS Loan Request process.
	Step 1 will include text in which the borrower must certify that he or she is not in default, or if in default, that he or she has made satisfactory payment arrangements on the defaulted loan, and eligible to receive a Direct PLUS Loan. (Parent PLUS only) If yes, the borrower will be able to continue completing the Direct PLUS Loan Request. If no, the borrower will not be able to continue completing the Direct PLUS Loan Request.
	Step 2 will include several additional questions in which the borrower indicates: • Whether the Direct PLUS Loan Request is a new request or a change to a previously submitted request. If it is a change, a drop-down box will appear and the borrower will select the previous Loan Reference Numbers he or she would like to change. • Whether he or she wants to defer repayment for 6 months after the student ceases to be enrolled on at least a half-time basis. (Parent PLUS only) • Whether the school may use loan proceeds to satisfy other educationally-related charges incurred by the student at the school. (Parent PLUS only) • The loan period for which the Direct PLUS Loan Request is being made or "Other". The school's options determine how this field can be populated, see below.

Changes to StudentLoans.gov Web site Functions – Borrower Impact	
Function	**Change/Description**
	In addition, when completing the Loan Amount Requested field, a new option "I do not know the amount I want to borrow. I will contact the school." will be available.
	On the confirmation page, for a borrower with accepted credit – • The MPN list will provide completion date and expiration date information (if one is on file for the student or parent). • A new list will provide FAFSA information (if one is on file for the student or parent).

StudentLoans.gov Web Site Changes – School Impact

As noted in the Borrower Impact section above, several new fields and questions will be added to the Direct PLUS Loan Request process. As a result, a school will see these new fields on the appropriate COD Web site screens and in the appropriate COD-related documentation.

In addition, beginning July 9, 2011, several new tags that were included with the implementation of COD Common Record XML Schema Version 3.0d earlier this year may be returned in the Direct PLUS Loan Request Acknowledgement:

- <SixMonthDefermentOption>
- <SchoolCreditBalanceOption>
- <AwardRangeRequestedStartDate>
- <AwardRangeRequestedEndDate>

- <DefaultOverpayCode>
- <ApplicationSubmissionReason>
- <PreviousApplicationID>
- <UnknownLoanAmount>

StudentLoans.gov Web site Changes – New and Updated School Options

Beginning July 9, 2011, a school will have new and updated options available on the COD Web site's School Options Information page. Main campuses can change all of these options. Additional locations can change all of the options, except the "Associated States" field. In this case, the location will only appear in the state in which they are located. When a school changes any of its options, the change will be effective within 12 hours.

The charts below provide a summary of these new and updated options:

Non Award Year Specific Options		
Option Field Name	**Description/Function**	**Valid Values**
Electronic Entrance Counseling Participant	Allows the school to determine if it wants its borrowers to complete online entrance counseling on the StudentLoans.gov Web site. This option can be set independently of the MPN participation option.	Yes ('Y') or No ('N') Default is Y.
Associated States	Replaces the "Multiple States" field name. Allows a user at a main location to select the states under which the school name will display on the StudentLoans.gov Web site.	Defaults to the state of the school's primary address. If a school previously appeared under all states, it will continue to do so after this change. *Note:* If a school is not located in every state, we encourage it to change the option and only select the appropriate states.

Award Year Specific Options		
Option Field Name	**Description/Function**	**Valid Values**
Award Range Request 1-4	Allows a school to add up to four loan periods that a parent or student borrower can select while completing a Direct PLUS Loan Request	School can enter month and year. Format will display as MM/YYYY. Default is blank.
Display "Other" Option	Allows a school to determine whether a parent or student borrower can select "Other" for the loan period and enter dates of his or her own choosing.	Default is "checked" which allows a borrower to enter a loan period. Can change to blank, but must have at least one of the "Award Range Request" fields populated.
Electronic Parent PLUS Application Date Range	Allows a school to now enter a date range for when a parent can complete a Direct PLUS Loan Request for a given award year.	School can enter month, day, and year. Format will display as MM/DD/YYYY to MM/DD/YYYY. We will default the end date to be 1 year from the current begin date. After July 9, 2011, a school may change the end date at any time.

Award Year Specific Options		
Option Field Name	**Description/Function**	**Valid Values**
Electronic Grad PLUS Application Date Range	Allows a school to now enter a date range for when a student borrower can complete a Direct PLUS Loan Request for a given award year.	School can enter month, day, and year. Format will display as MM/DD/YYYY to MM/DD/YYYY. We will default the end date to be 1 year from the current begin date. After July 9, 2011, a school may change the end date at any time.
PLUS Application Message	Allows a school to add a specific message that will be included in the e-mail that is sent to a parent or student borrower once he or she has completed the Direct PLUS Loan Request process.	Free form field. There is a 255 character limit.